COMMONWEALTH OF VIRGINIA Department of Environmental Quality Blue Ridge Regional Office

STATEMENT OF LEGAL AND FACTUAL BASIS

Addendum to the December 1, 2003 Statement of Legal and Factual Basis

Radford Army Ammunition Plant Radford (Montgomery County), Virginia Permit No. VA-20656

Title V of the 1990 Clean Air Act Amendments required each state to develop a permit program to ensure that certain facilities have federal Air Pollution Operating Permits, called Title V Operating Permits. As required by 40 CFR Part 70 and 9 VAC 5 Chapter 80, the US Army and BAE Systems Ordnance Systems, Inc. has applied for an administrative amendment to their Title V Operating Permit for its Radford, Virginia facility. The Department has reviewed the application and has prepared a draft administrative amendment for the Title V Operating Permit.

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FACILITY INFORMATION

Permittee

The US Army BAE Systems Ordnance Systems, Inc.

Route 114, P.O. Box 2 Route 114, P.O. Box 1 Radford, VA 24143-0002 Radford, VA 24143-0001

Facility

Radford Army Ammunition Plant Route 114, P.O. Box 1 Radford, VA 24143-0001

AFS ID No. 51-121-00006 SOURCE DESCRIPTION

SIC Codes: 2892, 2869 - The Radford Army Ammunition Plant (RAAP) is a United States Department of Defense (US Army) facility operated by BAE Systems Ordnance Systems, Inc.(BAE). The facility, which has been in existence since the Second World War, manufactures specialty munitions, propellants and chemicals for the United States Army and other users.

EMISSIONS SUMMARY:

The 2011 annual emission update has been reviewed and determined accurate. The facility has paid their 2011 fees.

ADMINISTRATIVE AMENDMENT INFORMATION

This administrative amendment is being generated to reflect the recent change in the operations contract at the facility. BAE took over operation of the facility on July 1, 2012 from Alliant Techsystems Inc. (ATK). ATK was previously listed as an owner alongside the Army. Because of the operations contract, the New River Energetics facility (NRE), owned by Alliant Techsystems Operations, LLC (a subsidiary of ATK), was considered under common control with RAAP. The Title V program requires that all applicable federal requirements for a major stationary source be contained in the source's Title V permit. Based on common control, NRE was part of the RAAP major stationary source. Therefore, the applicable requirements for NRE were listed in the Title V permit.

In the application dated June 25, 2012 including supplemental information dated August 27, 2012, September 26, 2012, and October 31, 2012, the three entities have certified that the relationship between the three entities does not meet "common control". The information submitted indicates that NRE has no obligations to the Army or BAE with respect to NRE outside of a standard landlord-tenant relationship (e.g., while RAAP may be a customer of NRE, the majority of produced material is sold to other locations). The application also indicates that

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the Army and BAE have no obligations to NRE outside of the same landlord-tenant relationship (e.g., basic utilities are provided by RAAP). The application also indicates these relationships are "leased activities" as referred to in EPA's Major Source Determinations for Military Installations guidance (Seitz, 8/2/1996). Based on the application information and the Military Installations guidance, NRE is no longer under common control of RAAP. NRE has submitted additional information dated January 11, 2013 and March 19, 2013, demonstrating that as a separate stationary source, NRE is not a major stationary source and is not otherwise required to have a Title V permit by regulation. Therefore, the applicable requirements for NRE may be removed from the Title V permit as inapplicable for RAAP.

If this relationship changes such that either EPA's Military Installation guidance does not apply to these three entities or the information submitted by the entities as discussed above no longer accurately reflects the relationships, this determination may change. A change in the determination may require approval pursuant to Articles 6, 7, or 8 of Chapter 80 (new source review programs).

This administrative amendment will change the permit to reflect the change in RAAP's operating contractor from ATK to BAE. The US Army is still an owner of RAAP. As part of this amendment, the NRE portion of this permit will be removed because they no longer meet the definition of applicable federal requirements with respect to RAAP and NRE is not otherwise required to have a Title V permit.

COMPLIANCE STATUS

For Title V permitting purposes, discussion of the compliance status is considered relevant to determining whether a compliance plan must be included in the Title V permit. While there are compliance issues with equipment at RAAP, there are no compliance issues with the equipment at NRE, the subject of this amendment. Therefore, a compliance plan is not required for this amendment.

EMISSION UNIT APPLICABLE REQUIREMENTS REVISIONS

Section VIII of the current Title V permit is removed. All requirements of this section apply solely to NRE and no longer meet the definition of applicable federal requirements for RAAP. Conforming changes to Sections I and II are made to remove references to NRE and NRE equipment.

CONFIDENTIAL INFORMATION

The permittee did not submit a request for confidentiality. All portions of the Title V application are suitable for public review.

PUBLIC PARTICIPATION

Public participation and EPA review do not apply to administrative amendments.